ENVIRONMENTAL AFFAIRS DEPARTMENT

CITY OF LOS ANGELES

ENVIRONMENTAL AFFAIRS COMMISSION

DETRICH B. ALLEN GENERAL MANAGER 200 N. SPRING ST. ROOM 2005 MS 177 OS ANGELES, CA 90012



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November 9, 2006

FILE COPY

Mr. Tom Fry, President Community Recycling and Resource Recovery, Inc., aka Crown Disposal Co., Inc. 9143 De Garmo Avenue Sun Valley, CA 91352

Subject:

Community Recycling and Resource Recovery, Inc., aka Crown Disposal

American Waste Industries Cease and Desist Order (Community

Recycling 06-01)

Dear Mr. Fry:

The Local Enforcement Agency is hereby transmitting to you a Cease and Desist Order for violation of Public Resources Code Sections 44002 and 44005 and California Code of Regulations, Title 14, Section 18304.3(a), operating a solid waste facility without a valid permit. You are to cease and desist all activities that require a solid waste facility permit until a solid waste facility permit that authorizes these activities is issued by the LEA.

Please contact me at (213) 978-3068 if you have any questions.

Sincerely,

Wayne Tsuda, Director Local Enforcement Agency

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C: Detrich B. Allen, EAD
Keith Pritsker, City Attorney's Office
Howard Levenson, CIWMB
Mark de Bie, CIWMB
Suzanne Hambleton, CIWMB

FOR THE CITY OF LOS ANGELES

| In the Matter of: COMMUNITY RECYCLING AND RESOURCE RECOVERY, INC. aka CROWN DISPOSAL CO., INC. | CEASE AND DESIST ORDER FOR NON-PERMITTED WASTE PROCESSING AND RECYCLING OPERATIONS BY COMMUNITY RECYCLING AND RESOUCE RECOVERY, INC. |
|---|--|
| 9143 TO 9189 De Garmo Avenue and 11256 West Pendleton Street, Sun Valley, CA 91352 | PUBLIC RESOURCES CODE §§44002 and 45005, and, CALIFORNIA CODE OF REGULATIONS, TITLE 14, §18304.3(a) ORDER NUMBER: COMMUNITY RECYCLING - 06-01 |

TO: COMMUNITY RECYCLING AND RESOURCE RECOVERY, INC. aka CROWN DISPOSAL CO., INC., 9143 TO 9189 De Garmo Avenue and 11256 West Pendleton Street, Sun Valley, CA 91352;

PLEASE TAKE NOTICE THAT:

WHEREAS, COMMUNITY RECYCLING AND RESOURCE RECOVERY, INC. aka CROWN DISPOSAL CO., INC. (CRRR), is located at 9143 TO 9189 De Garmo Avenue and 11256 West Pendleton Street, Sun Valley, CA 91352, ; and

WHEREAS, the City of Los Angeles Environmental Affairs Department, Local Enforcement Agency ("LEA") has authority to act in the capacity of enforcement agency (EA) for this Facility pursuant to Public Resource Code (PRC) §43200 et seq., and is so acting; and

WHEREAS, CRRR has been operating a permitted 1,700 ton per day transfer station and resource recovery facility for mixed municipal solid waste which is sorted for recyclables, and which remaining solid waste is transported off-site for disposal; and

WHEREAS, CRRR has been conducting green material sorting, and chipping/grinding operation (approximately 1500 tons per day) on non-permitted property adjacent to the permitted transfer station; and

WHEREAS, CRRR has also been conducting construction and demolition waste processing operation (approximately 1200 tons per day) on non-permitted property adjacent to the permitted transfer station; and

WHEREAS, CRRR has also been conducting foodwaste (supermarket trim and cull material) processing operation (approximately 300 tons per day) on property adjacent to the permitted transfer station; and

WHEREAS, CRRR has also been conducting a wood waste processing operation (approximately 150 tons per day) on non-permitted property adjacent to the permitted transfer station; and

WHEREAS, CRRR has also been conducting other transfer station operations on nonpermitted property adjacent to the permitted transfer station; and WHEREAS, the green materials sorting, and chipping/grinding operations, construction and demolition waste processing operation, foodwaste processing operation, and other transfer station operations on the non-permitted property is not covered by the current Solid Waste Facilities Permit; and

WHEREAS, foodwaste processing regulations (Title 14 California Code of Regulations Sections 17400 et seq.) came into effect on September 30, 2002; and

WHEREAS, compostable materials handling regulations (Title 14 California Code of Regulations Sections 17850 et seq.) came into effect on April 4, 2003; and

WHEREAS, construction and demolition and inert debris transfer/processing regulations (Title 14 California Code of Regulations Sections 17380 et seq.) came into effect on August 9, 2003; and

WHEREAS, on May 10, 2004, the City of Los Angeles City Attorney's office filed a complaint for unfair business practices and nuisance (Case No. BC315282) in the Superior Court of the State of California, County of Los Angeles; and

WHEREAS, on October 28, 2004, the City of Los Angeles LEA issued a Cease and Desist Order (No. 04-03) that required CRRR to cease and desist from violating PRC Section 44002 and all other applicable State Minimum Standards, and to require submission of an application for a master solid waste facility permit covering all operational areas; and

WHEREAS, on December 13, 2004, CRRR and the City of Los Angeles City Attorney's Office filed a Stipulation for Entry of Final Judgment (Case No. BC315282) in the Superior Court of the State of California, County of Los Angeles; and

WHEREAS, in the Stipulation for Entry of Final Judgment (Case No. BC315282), CRRR agreed to submit an application within 120 days from the date of entry of the stipulated judgment for a permit to construct and maintain improvements in their facility and their operations; and

WHEREAS, the City of Los Angeles LEA has not received a Solid Waste Facilities application that incorporates the improvements agreed to in the stipulated judgment; and

WHEREAS, CRRR does not have an existing valid solid waste facilities permit for the processing of, greenwaste materials, foodwaste, construction and demolition waste materials and/or mixed municipal solid waste in the non-permitted areas; and

WHEREAS, during June 2006, the LEA conducted an inspection of the CRRR facility and found that CRRR is still operating without a Large Volume Transfer Station Permit or other appropriate Solid Waste Facility Permit, and PRC Section 44002 specifically requires immediate cessation of operations occurring on the non-permitted areas of the CRRR facility until CRRR can obtain an appropriate Solid Waste Facility Permit, and that the LEA may not allow the non-permitted operations to continue while it tries to obtain a permit,

THEREFORE, PURSUANT TO PRC SECTIONS 44002, COMMUNITY RECYCLING AND RESOURCE RECOVERY, INC. aka CROWN DISPOSAL CO., INC. IS ORDERED TO:

 Upon receipt of this order, Cease and Desist all activities that require a solid waste facility permit until a solid waste facility permit that authorizes the activities is issued by the LEA; and 2. Remove from the non-permitted areas of the facility all waste material that is currently being stored onsite.

PLEASE TAKE NOTICE THAT PURSUANT TO PRC SECTIONS 45011, 45014, AND 45023, if the above actions are not taken, completed or complied with the LEA may:

- 1. Petition the superior court for injunctive relief to enforce this Cease and Desist Order. [PRC Section 45014],
- 2. Petition the superior court for civil penalties in an amount not to exceed \$10,000 per day for each violation. [PRC Sections 45023 and 45024],
- 3. Impose administrative civil penalties in an amount not to exceed \$5,000 per day for each day the Facility fails to achieve compliance with the conditions specified above. [PRC Section 45011]

Failure to comply with this order may result in the LEA expending funds to perform any cleanup, abatement, or remedial work required under the circumstances set forth in PRC section 45000, which, in the judgement of the LEA, is required by the magnitude of endeavor or the need for prompt action to protect public health and safety or the environment. If the LEA expends funds to perform any cleanup, abatement, corrective, or remedial work, the LEA may seek cost reimbursement from the operator or owner pursuant to PRC Section 45000(d).

Nothing in this Cease and Desist Order shall constitute or be construed as a satisfaction or release from liability for any conditions or claims arising as a result of past, current, or future operations. Notwithstanding compliance with the terms of this Cease and Desist Order, the owner and operator may be required to take further actions as necessary to protect the public health, safety, or the environment.

The LEA shall not be liable for injuries or damages to persons or property resulting from acts or omissions by the owner or operator or related parties in carrying out activities pursuant to this Cease and Desist Order, nor shall the LEA be held as a party to any contract entered into by the owner or operator or their agent(s) in carrying out activities pursuant to this Cease and Desist Order.

This Cease and Desist Order is supported by the accompanying declaration of Ms. Detrich B. Allen, General Manager, Environmental Affairs Department.

This Cease and Desist Order does not relieve the owner or operator from complying with all other local, state, and federal requirements, nor does it preclude the LEA or the CIWMB from taking any and all other actions allowed by law.

This Cease and Desist Order may only be amended in writing by an appropriate representative of the LEA.

PLEASE TAKE NOTICE THAT:

1. Pursuant to Title 14 CCR Section 18304(b)(8), the person or entity named in this Cease and Desist Order may be able to appeal this Cease and Desist Order to the

Independent Hearing Panel (IHP) of the City of Los Angeles LEA, depending on whether the IHP agrees to hear the case. [PRC Section 44307]

2. A request for a hearing before the Hearing Panel must be filed within 15 days from the date of receipt of this Cease and Desist Order. [PRC Section 44310]

3. A Statement of Issues, including documentation of the operator's previous permit applications, must be provided to the LEA with the request for an appeals hearing. [PRC Section 44310]

4. The filing of the request for a hearing before the Hearing Panel to hear the appeal of this order will stay the execution of this order until the Hearing Panel provides their written decision to consider the matter and through the conclusion of the hearing, should the matter be heard.

This Cease and Desist Order is issued as of the date set forth below.

Detrich B. Allen, General Manager

Environmental Affairs Department, City of Los Angeles

DECLARATION SUPPORTING THE FACTS AND FINDINGS OF THE CEASE AND DESIST ORDER TO CEASE OPERATIONS OF THE NON-PERMITTED WASTE PROCESSING AND RECYCLING ACTIVITIES AT COMMUNITY RECYCLING AND RESOURCE RECOVERY, INC. (aka CROWN DISPOSAL CO., INC.)

I, Detrich B. Allen, declare under the penalty of perjury that the stated facts and findings of the foregoing Order are known to me to be correct, based either on my personal knowledge and on information contained in the LEA inspection reports.

Detrich B. Allen, General Manager

Environmental Affairs Department

City of Los Angeles

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY |
|--|-----------------------------------|
| Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Mr. Tom Fry, President Community Recycling Inc. 9143 De Garmo Avenue Sun Valley, CA 91352 | A. Signature X |
| 2. Article Number (Transfer from service label) 7002 | 2030 0005 8001 4246 |
| PS Form 3811, August 2001 Domestic | c Return Receipt 102595-01-M-25 |

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